



Date: October 17, 2001
To: Inter-Regional Partnership
From: IRP Staff
RE: IRP Status Report

RFP Process and Evaluation Subcommittee Update

The Jobs/Housing Opportunity Zone *Request for Proposals*, including all five county “preview” maps was finalized and released on September 17, 2001. Each COG took responsibility to release the RFP to their cities and counties. The RFP, along with each county preview maps is available online at the ABAG web site at www.abag.ca.gov/planning/interregional/resources. All proposals are due on October 26, 2001.

The Evaluation Committee (Supervisor Scott Hagerty, Alameda County; Council Member Millie Greenberg, Danville; Mayor Dan Bilbrey, San Joaquin County; Supervisor Pete McHugh, Santa Clara County; and Mayor Richard Dodds, Stanislaus County) will present its recommendations to the full IRP at the December 19, 2001 meeting. A letter has been sent to each committee member, notifying them of meeting dates and locations. Staff evaluations and rankings will be forwarded to each committee member prior to the first meeting on November 8th.

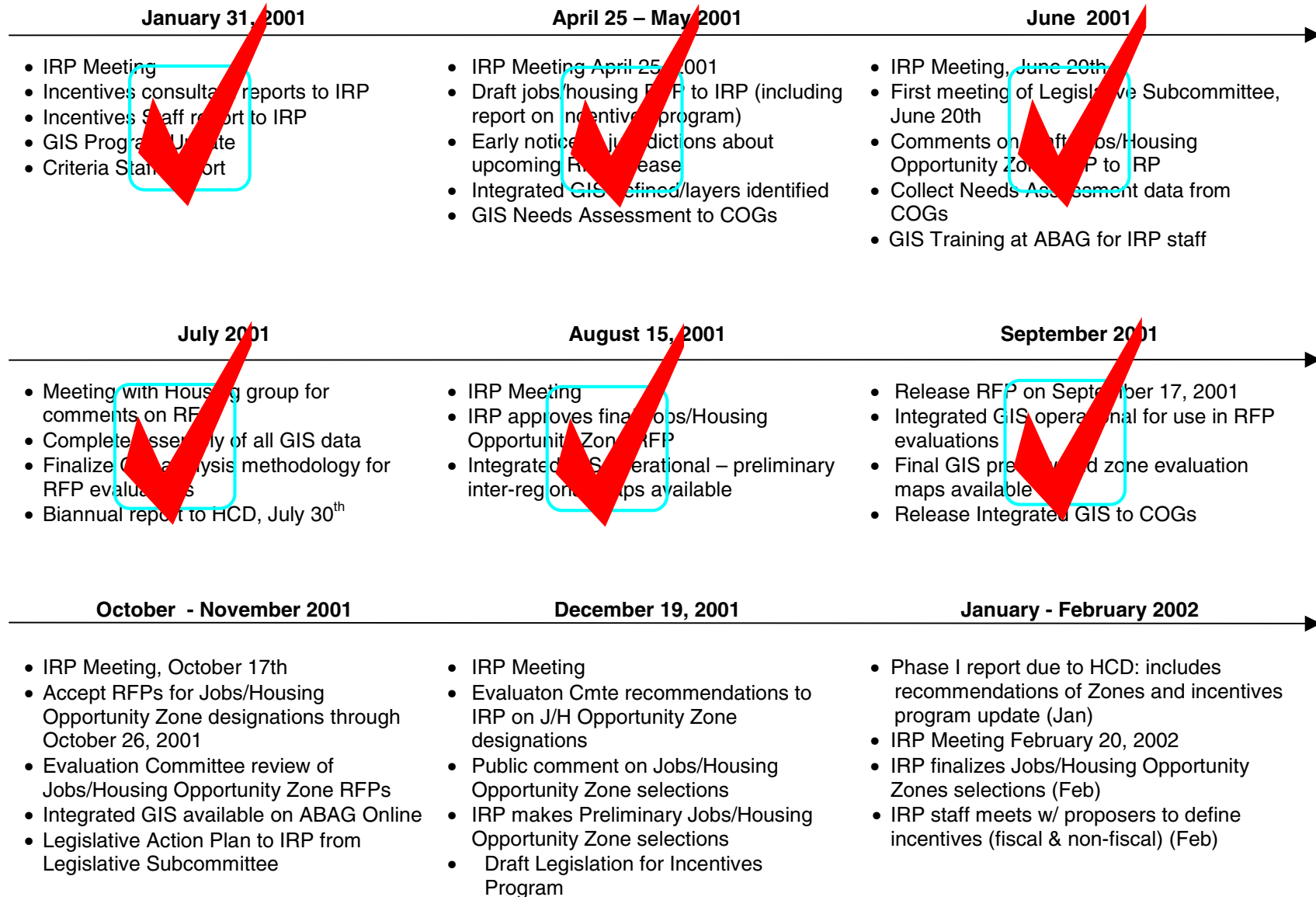
Bi-Annual State Report

By contract, HCD requires that the IRP submit bi-annual progress reports. The first report, covering the period from January-June 2001, was mailed on August 15, 2001. The primary areas addressed by this report were the RFP development process, the evaluation of Opportunity Zone incentives, and the identification of layers and gathering of data for the integrated GIS. Major accomplishments, issues of concern, and future activities were detailed for each area. The next report, covering the period from July-December 2001, is due on January 2, 2002.

Letter to Other State IRPs

In an effort to foster collaboration, the IRP mailed a letter to other state IRPs in October soliciting their opinions regarding possible cooperation. Expected outcomes of IRP cooperation include the sharing of information gained during IRP activities, and the possibility of working together to initiate mutually beneficial legislation. Potential topics for a statewide IRP meeting include: overcoming inter-jurisdictional mistrust, the land use – transportation connection, developing an IRP lobby focused on regional jobs/housing legislation, mutual sharing of “best practices”, and encouraging a “meet and greet” event between the IRPs and the legislative Smart Growth Caucus. Staff requests that the Partnership support the idea of a statewide IRP meeting and provide guidance on meeting topics.

IRP Pilot Project Timeline, January 2001 – February 2002



INTER-REGIONAL
PARTNERSHIP
Alameda County
Contra Costa County
San Joaquin County
Santa Clara County
Stanislaus County



October 1, 2001

Dear (IRP Contact),

Congratulations on initiating an Inter-Regional Partnership (IRP) as a result of the State program developed by Senator Tom Torlakson (D, Antioch). We are the co-chairs of the first IRP, developed between the counties of Alameda, Contra Costa, San Joaquin, Santa Clara and Stanislaus. The statewide IRPs have great potential to affect substantive policy shifts related to jobs/housing relationships. Along with our joint political will, these shifts in long-standing policy can create a voice for change that is capable of reaching State legislators.

Our work shows that jobs/housing relationships are one of the critical planning issues in California. We invite you to review our web site at <http://www.abag.ca.gov/planning/interregional/>. In addition, we would like to know if there is interest in meeting as a loose knit organization of IRPs to discuss the opportunities available to a joint IRP effort. The Bay Area and Valley IRP is currently formulating a set of incentives related to Jobs/Housing Opportunity Zones.

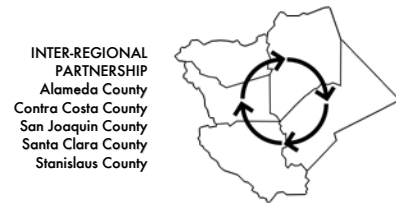
Please feel free to contact Gerry Raycraft of our IRP staff at (510) 464-7900 if you have questions, or are interested in pursuing joint activities including legislative efforts, exchange of information or to learn about our common issues.

Sincerely,

Supervisor Mark DeSaulnier
Contra Costa County
Co-Chair, Inter-Regional Partnership

Mayor Dan Billbrey
City of Tracy
Co-Chair, Inter-Regional Partnership

cc: SF Bay Area/Central Valley Inter-Regional Partnership Members



September 28, 2001

To: Evaluation Committee Members

From: Inter-Regional Partnership Staff

Re: Evaluation Committee Meeting Dates

The Inter-Regional Partnership would like to thank you for agreeing to participate on the Jobs/Housing Opportunity Zone RFP Evaluation Committee. This committee will be responsible for determining the list of proposals to be forwarded to the full IRP as projects that fulfill the goals of the State IRP Pilot Project to Improve the Balance of Jobs and Housing and the Inter-Regional Partnership's organizational goals.

IRP staff will review each RFP for completeness and provide a brief project evaluation for each proposal. Staff, and possibly the project proponent, will then present each proposal to the Committee. The Evaluation Committee will then review the project proposals along with the staff and proponent presentations to determine a list of projects to pursue. The Committee will then present its recommendations to the full IRP at the December 19, 2001 meeting.

Currently there are three meetings scheduled for the Evaluation Committee. The meeting dates and locations are as follows:

**Thursday
November 8, 2001**

12:00 - 3:00pm

Dublin Civic Center

Regional Meeting Room

100 Civic Plaza

Dublin, CA 94568

Tuesday

November 13, 2001

12:00 - 3:00pm

Dublin Civic Center

Regional Meeting Room

100 Civic Plaza

Dublin, CA 94568

Thursday

November 15, 2001

12:00 - 3:00pm

Dublin Civic Center

Regional Meeting Room

100 Civic Plaza

Dublin, CA 94568

Please feel free to contact Alex Amoroso, IRP staff, at (510) 464-7955 if you have questions about the Evaluation Committee process.



August 15, 2001

To: Paul Dirksen, Project Manager
Division of Housing Policy and Development
Housing & Community Development

From: Association of Bay Area Governments
Inter-Regional Partnership Staff

Re: Inter-Regional Partnership State Pilot Project Biannual Report
January 2001 - July 2001

CC: Julia Greene, Executive Director
San Joaquin Council of Governments

Gary Dickson, Executive Director
Stanislaus Council of Governments

Background

The Inter-Regional Partnership (IRP) was formed in 1998 as a partnership of fifteen elected officials representing five counties - Alameda, Contra Costa, San Joaquin, Santa Clara, and Stanislaus. Through the IRP, local representatives bridge jurisdictional boundaries to forge cooperative solutions to shared problems, such as: the geographic separation of housing and employment, mounting traffic and air pollution, and uncontrolled growth. Three councils of governments (COGs)—the Association of Bay Area Governments (ABAG), the San Joaquin Council of Governments (SJCOG), and the Stanislaus Council of Governments (StanCOG)—provide staffing, support, and regional expertise to the IRP.

In July 2000, Governor Gray Davis signed into law AB 2864, introduced by then Assembly Member Tom Torlakson. Building on the work that the IRP had accomplished since 1998, this bill created the State funded Inter-Regional Partnership State Pilot Project to Improve the Balance of Jobs and Housing (IRP State Pilot Project), with the State Department of Housing and Community Development (HCD) as the administering agency.

The IRP State Pilot Project is designed to offset development patterns in order to improve the quality of life in the IRP region by working to balance jobs and housing. A primary element of the IRP Pilot Project is the creation of Jobs/Housing Opportunity Zones in the IRP counties. A range of incentives will be developed for the Zones in order to encourage appropriate development, i.e. housing development in "job-rich" areas and employment centers in "housing-rich" areas. The timeframe for the IRP State Pilot Project is January 1, 2001 to July 31, 2004.

ABAG staff has prepared this biannual report on the progress of the Inter-Regional State Pilot Project pursuant to requirements in its contract with HCD. This report details major accomplishments, discusses issues of concern, and lists future activities surrounding the Jobs/Housing Opportunity Zones, incentives

and the integrated GIS. Packets from the IRP meetings are included as attachments and a full outline of IRP activities can be found at <http://www.abag.ca.gov/planning/interregional/index.html>.

Jobs/Housing Opportunity Zones

Major Accomplishments: In April 2001, the IRP developed a *Jobs/Housing Opportunity Zone Request for Proposals* (RFP) that included the State mandated criteria, promoted the goals of the IRP, and formalized the selection process of Jobs/Housing Opportunity Zones. The RFP includes a list of questions and a GIS evaluation component by which the IRP will score and rank each of the RFP respondents. Based on IRP members and economic development and housing group recommendations, minor changes were made to the RFP during June, including adjusting the scoring criteria and timeline for project completion. The IRP also formed an Evaluation Committee to evaluate all responses to the RFP.

Issues of concern: Availability of infrastructure is an issue for Central Valley IRP members. IRP members from rural cities are concerned that their lack of infrastructure will preclude them from receiving a Jobs/Housing Opportunity Zone designation. Assemblyman David Cogdill, of Stanislaus County, introduced legislation (AB 499) that would weaken the infrastructure requirement of the IRP Pilot Project enabling statute. The bill is in two Assembly committees: the Committee on Jobs, Economic Development, and the Economy, and the Committee on Revenue and Taxation. The IRP is currently working on ways to address the changes proposed in AB 499, and will outline those recommendations in its next biannual report.

Future Activities: Staff will work in the coming months to finalize the Jobs/Housing Opportunity Zone RFP for release in September. The RFP will be sent to every jurisdiction in the five county IRP region, including planning and economic development departments. The RFP will also be sent out to local housing and commercial developers who may wish to partner with a city or county. Responses to the RFP will be due in mid-October.

An Evaluation Committee, a sub-committee of the IRP, has been created to review the individual Jobs/Housing Opportunity Zone proposals. This subcommittee is made up of five members, one from each IRP county. The Evaluation Committee will evaluate the proposed Zones once staff from each COG has checked them for completeness, performed the GIS evaluation of proposed projects, and assigned a ranking of projects. Staff evaluations and rankings will be forwarded to each committee member prior to the first Evaluation Committee meeting scheduled for November 2001.

Jobs/Housing Opportunity Zone Incentives

Major Accomplishments: In September 2000, the IRP heard presentations by Professor Richard LeGates (San Francisco State University) on potential housing incentives, and by Mr. James King (Applied Development Economics) on economic development incentives. The following January, the IRP discussed the problems with having a finite list of incentives for attracting development to Jobs/Housing Opportunity Zones. Those problems were twofold. First, pre-determining incentives for sites yet to be selected does not allow the IRP to address the individual needs of the Zones. Second, establishing a limited set of incentives unnecessarily curtails the options available to the IRP and may place the Zone at a competitive disadvantage against other economic incentive zones (e.g. enterprise zones).

To address the aforementioned problems, staff recommended developing a comprehensive incentive plan. In April, informed by staff reports and member input, the IRP developed an expanded list of potential incentives and included the list in the draft RFP. By July 2001, staff had worked with housing and economic development groups to identify a "short list" of incentives that would be most important in attracting development to the Jobs/Housing Opportunity Zones. The "short list" would serve as the

‘priority incentives’ - with staff continuing to research and evaluate other incentives throughout the process.

Issues of concern: As noted previously, the IRP has concerns with the prospect of having only a limited list of incentives with which to encourage and guide development. Offering a complete list of incentives would allow the IRP to pick and choose those that best fit the needs of potentially diverse Jobs/Housing Opportunity Zones.

Future Activities: In the coming months, staff will proceed with securing incentives that could be made available to Jobs/Housing Opportunity Zones. Several state level programs, as described in Attachment 4(h) of this report, show potential sources for the IRP to focus on in the search for incentives, including HCD’s Multi-Family Housing Program, CALPERS Community Housing & Development Investment Program, Tax Credit Allocation Committee (TCAC), and tax increment financing. While this list of programs is not exhaustive, it serves as a beginning point for staff to pursue incentive-related activities.

The IRP believes that Jobs/Housing Opportunity Zones may prove to be excellent candidates for the above listed and other state sponsored programs. Most of these programs distribute monies through an application and selection process that ranks eligibility of projects. Staff will determine if it is possible to work at an administrative level with state agencies to give the Zones a priority, or scoring advantage. Staff will also present these incentives at the October and December IRP meetings for discussion and action.

Integrated GIS

Major Accomplishments: Early in 2000, IRP staff surveyed counties, cities, congestion management agencies, transit agencies, and other entities within the IRP region about their available GIS data. This information was gathered to determine the availability of GIS information in order to begin the work of data collection, integration, and development of an integrated GIS. In the months following, staff developed specific program objectives and a list of end products and on-going services for the integrated GIS. The IRP also began considering the possibility of expanding the GIS component to include elements beyond those required by the State. The IRP allocated \$312,500 to complete the necessary GIS work.

Following the April 2001 IRP meeting, staff conducted a Needs Assessment Survey for the hardware and training needs of IRP staff. Training sessions to meet those needs were scheduled for mid-July with staff from each COG attending. The process of acquiring data to build into the integrated GIS continued and most of the required data layers were collected. Staff further explored the possibility of expanding the scope of the GIS, identifying additional layers that would be of value and developing a cost estimate for the additional layers.

Issues of concern: Staff was initially concerned over the possibility that, due to prohibitive costs, complete GIS data would not be available in time for use in selecting Jobs/Housing Opportunity Zones. An alternative approach was to base Zone selection on an application process and a review of general plan and zoning maps. However, following the completion of the Needs Assessment survey of available data and staff GIS training in mid-July, it was determined that the integrated GIS would be available in time to incorporate in the Zone selection process.

A second issue in developing the integrated GIS revolved around the implementation of data sharing. The negotiation and signing of agreements has held up data collection. (This issue has been addressed by the IRP and will be reported in the next biannual report.)

Future Activities: Staff anticipates collecting all the necessary data layers for the integrated GIS before the release of the Jobs/Housing Opportunity Zone RFP in September. Once collected, IRP staff will integrate all data layers so that the data for all five counties can be viewed and analyzed concurrently. As mentioned previously, IRP staff received advanced GIS training in July. This training will serve as the foundation for staff to utilize the integrated GIS data in the selection and analysis of potential Jobs/Housing Opportunity Zones.

In August, staff will present to the IRP two opportunities to utilize GIS in the Zone selection process. The first involves using GIS to map the IRP study area to show, in general terms, where Jobs/Housing Opportunity Zones might best be located. Secondly, GIS can be used to evaluate and score each proposed Zone against a set of criteria identified by the IRP and State law as important in the selection of Zones. Staff will proceed with the GIS analysis based on direction it receives from the IRP at the August meeting.

Conclusion

The coming months will be significant for the Inter-Regional Partnership State Pilot Project. The Jobs/Housing Opportunity Zone RFP, the tool for selecting and designating Zones, will be finalized and released; Zones will be selected by the IRP; and the integrated GIS will become fully operational. In addition, within the next few months, fiscal and non-fiscal incentives will be identified and secured, thereby facilitating the appropriate development within those Zones.